



## **DEPARTMENT OF AGRICULTURE**

### **Rural Business-Cooperative Service**

### **Rural Housing Service**

### **Rural Utilities Service**

**[Docket No. RBS-22-BUSINESS-0022]**

### **Notice of Solicitation of Applications for the Strategic Economic and Community Development Program for FY 2023**

**AGENCIES:** Rural Business-Cooperative Service, Rural Housing Service, and Rural Utilities Service, USDA.

**ACTION:** Notice of Solicitation of Applications.

**SUMMARY:** The Under Secretary for Rural Development (RD) is seeking applications for the Strategic Economic and Community Development (SECD) priority, as reauthorized by Section 6401 of the Agriculture Improvement Act of 2018 (2018 Farm Bill) for projects that support multi-jurisdictional and multi-sectoral strategic community investment plans. In Fiscal Year (FY) 2023, the Agency will implement SECD by reserving loan and/or grant funds from the appropriations of the programs covered by this funding priority. This notice describes the requirements by which the Agency will consider projects eligible for the covered programs' reserved appropriated funds and the information needed to submit an application. This NOSA is being issued prior to passage of a final appropriations act for FY 2023 to allow potential applicants time to submit applications for financial assistance under the covered programs and to give the Agency time to process applications. Once the FY 2023 funding amounts are determined, the Agency will publish them on its website at <https://www.rd.usda.gov/newsroom/notices-solicitation-applications-nosas>.

**DATES:** Each of the participating covered programs has a different established deadline

for receipt of applications. Please refer to the Agency website or the appropriate covered program's Federal Register notice for application deadline information. All applicants are responsible for any expenses incurred in preparing and submitting applications.

To apply for SECD funding in FY 2023, applicants must follow the instructions as published in this notice:

- All applicants must submit the Form RD 1980-88, "Strategic Economic and Community Development (Section 6401)," with their program application to the appropriate covered program.
  - SECD applications, except for Community Connect Grant Program SECD applications, must be submitted electronically to the USDA Rural Development Office servicing the area where the project is located. A list of the USDA Rural Development State Offices can be found at:  
<https://www.rd.usda.gov/about-rd/state-offices>.
- Community Connect applicants must submit SECD applications electronically at:  
<https://www.rd.usda.gov/community-connect>.
- For lenders assigned a OneRD Loan Guarantee Initiative Customer Relationship Manager (CRM), SECD applications must be submitted to their assigned CRM.

**ADDRESSES:** SECD applications, except for Community Connect Grant Program SECD applications, must be submitted electronically to the USDA Rural Development Office servicing the area where the project is located. Community Connect applicants must submit SECD applications electronically at: <https://www.rd.usda.gov/community-connect>. For lenders assigned a CRM, SECD applications must be submitted to their assigned CRM.

**FOR FURTHER INFORMATION CONTACT:** For more information, please contact your respective Rural Development State Office listed here:

<https://www.rd.usda.gov/about-rd/state-offices>.

For all other inquiries, you may contact Greg Batson, Rural Development Innovation Center, U.S. Department of Agriculture, Stop 0793, 1400 Independence Avenue SW, Washington, DC 20250–0783, Telephone: (573) 239-2945, Email: [gregory.batson@usda.gov](mailto:gregory.batson@usda.gov).

A checklist of all required application information for regional planning priority can be found at: <https://www.rd.usda.gov/programs-services/strategic-economic-and-community-development>.

## **SUPPLEMENTARY INFORMATION:**

### **Overview**

*Federal Awarding Agency Name:* Rural Business-Cooperative Service, Rural Housing Service, Rural Utilities Service

*Funding Opportunity Title:* Strategic Economic and Community Development

*Announcement Type:* Notice of Solicitation of Applications

*Dates:* See information provided in the **DATES** section of this notice

*Rural Development Key Priorities:* The Agency encourages applicants to consider projects that will advance the following key priorities of Rural Development:

- Assisting rural communities recover economically through more and better market opportunities and through improved infrastructure;
- Ensuring all rural residents have equitable access to USDA - Rural Development programs and benefits from Rural Development funded projects; and
- Reducing climate pollution and increasing resilience to the impacts of climate change through economic support to rural communities.

For further information, visit Rural Development: Key Priorities | Rural Development ([usda.gov](https://www.usda.gov)), <https://www.rd.usda.gov/priority-points>.

### **A. Program Description**

### *1. Purpose of the Program*

SECD supports projects that promote and partially or completely implement strategic community investment plans. These plans use the unique strengths of rural communities to advance prosperity. USDA Rural Development helps finance and/or fund these projects to build community prosperity by using community assets, identifying resources, convening partners and leveraging Federal, state, local or private funding.

In FY 2023, the Agency plans to implement SECD through reserving funds from the covered programs' appropriations as provided in 7 CFR part 1980, subpart K. This notice provides requirements to applicants submitting applications for the covered programs' reserved funds and establishes the above-mentioned priority effective upon the publication of this notice.

### *2. Statutory Authority*

These funds are made available under the Authority of Section 6401 of the Agriculture Improvement Act of 2018 (Pub. L. 115-334); Consolidated Farm and Rural Development Act (7 U.S.C. 2008v).

### *3. The Covered Programs*

Section 6401 of the 2018 Farm Bill (7 U.S.C. 2008v), authorizes any program under the Consolidated Farm and Rural Development Act (Pub. L. 87-128), as determined by the Secretary, to give priority to applications that support the implementation of multi-jurisdictional and multi-sectoral strategic community investment plans.

Accordingly, the Agency is giving priority to projects implementing strategic community investment plans in FY 23 through the following Rural Development programs:

- Community Facility Loans; see 7 CFR part 1942, subpart A.
- Community Facilities Grants; see 7 CFR part 3570, subpart B.

- Community Facilities Guaranteed Loans; see 7 CFR part 5001.
- Water and Waste Disposal Programs Guaranteed Loans; see 7 CFR part 5001.
- Water and Waste Loans and Grants; see 7 CFR part 1780.
- Rural Business Development Grants; see 7 CFR part 4280, subpart E.
- Community Connect Grants; see 7 CFR part 1739.

#### *4. Application of Awards*

The Agency will review, evaluate, and score each application based on the criteria specified in 7 CFR 1980.1020, to award points for each program's competition for the SECD reserved funds.

#### **B. Federal Award Information**

*Type of Awards:* Guaranteed loans, direct loans and grants.

*Fiscal Year Funds:* FY 2023 appropriated funds.

*Available Funds:* The amount of reserved funds available for SECD projects is dependent on the amount of available appropriated funding provided to each of the covered programs during the fiscal year. The NOSA is being issued prior to passage of a final appropriations act for FY 2023. Once the FY 2023 funding amount is determined, the Agency will publish it on its website at <https://www.rd.usda.gov/newsroom/notices-solicitation-applications-nosas>.

For FY 2023 applications, the following table specifies the percentage of funds being reserved:

Program	Percentage of funds reserved for SECD
Community Facility Loans	10 percent
Community Facilities Grant Program	5 percent
Community Facilities Guaranteed Loans	5 percent

Water and Waste Disposal Programs Guaranteed Loans	10 percent
Water and Waste Loans	5 percent
Water and Waste Grants	3 percent
Rural Business Development Grants	5 percent
Community Connect Grant Program	10 percent

*Award Amounts:* Guaranteed loans, direct loans and grants will be awarded in amounts consistent with each applicable covered program.

*Anticipated Award Dates:* Awards for SECD applications submitted to the covered programs in FY 23 will be obligated on or before June 30, 2023, except Community Connect. Community Connect SECD awards will be obligated upon completion of all required programmatic reviews. The Agency will return any reserved funds that are not obligated by the obligation deadline to each covered program's regular funding account for obligation of eligible projects in that program.

*Performance Period:* Performance period will vary by covered program.

*Renewal or Supplemental Awards:* N/A

*Type of Assistance Instrument:* Grants, loans and loan guarantees

## **C. Eligibility Information**

### *1. Eligible Applicants*

To be considered for SECD reserved funds, both the applicant and project must meet the eligibility requirements of the covered program. These requirements vary among the covered programs and applicants should refer to the regulations for those programs, which are referenced in A. 2. of this notice.

The agency supports community and regional planning through the SECD regulation without making any changes to the applicant eligibility requirements of the covered programs. The SECD regulation includes three criteria that a project must meet

in order to be considered for the SECD reserve funding (see 7 CFR 1980.1010):

The first criterion, as noted above, is that the project meets the applicable eligibility requirements of the covered program for which the applicant is applying.

The second criterion is that the project is “carried out in a rural area” as defined in 7 CFR 1980.1005. As defined, this means either the entire project is physically located in a rural area, or all the beneficiaries of the service(s) provided through the project must either reside in or be located in a rural area. Note that the definition of “rural” varies among the covered programs and the Section 6401 regulation does not change those definitions. Therefore, the applicable program regulations as outlined in A. 2. should be reviewed as necessary.

The third criterion is that the project supports partial or complete implementation of a strategic community investment plan on a multi-jurisdictional and multi-sectoral basis as defined in 7 CFR 1980.1005.

In order to be considered for the reserved funds from covered programs in FY 2023, applicants must (1) meet all requirements of the covered program; (2) meet all requirements in accordance with 7 CFR part 1980, subpart K (see 7 CFR 1980.1010); and (3) submit Form RD 1980-88 and the supporting documentation required in 7 CFR 1980.1015 with their program application which includes:

- Sufficient information to show that the project will be carried out in a rural area, as defined by the appropriate covered program; and
- Identification of any current or previous applications the applicant has submitted for funds from the covered programs.

## *2. Cost Sharing or Matching*

All cost sharing, matching, and cost participation requirements of the applicable covered program apply to projects seeking SECD reserved funds.

## *3. Other*

All other eligibility requirements (beyond those identified in C.1 of this notice) found in the covered programs' regulations applying to applicants, their projects, and the beneficiaries of those projects are unchanged by either this notice or the regulations for the SECD program (7 CFR Part 1980 subpart K).

#### **D. Application and Submission Information**

##### *1. Address to Request Application Package*

Information on how to submit applications is provided in the **ADDRESSES** section of this notice.

##### *2. Content and Form of Application Submission*

Applicants must submit the Form RD 1980-88, "Strategic Economic and Community Development (Section 6401)," with their program application to the appropriate covered program.

##### *3. System for Award Management (SAM) and Unique Entity Identifier (UEI)*

(a) At the time of application, each applicant must have an active registration in the System for Award Management (SAM) before submitting its application in accordance with 2 CFR part 25 (<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-I/part-25>). To register in SAM, entities will be required to create Unique Entity Identifier (UEI). Instructions for obtaining the UEI are available at <https://sam.gov/content/entity-registration>.

(b) Applicant must maintain an active SAM registration, with current, accurate and complete information, at all times during which it has an active Federal award or an application under consideration by a Federal awarding agency.

(c) Applicant must ensure they complete the Financial Assistance General Certifications and Representations in SAM.

(d) Applicant must provide a valid UEI in its application, unless determined exempt under 2 CFR 25.110 (<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-I/part-25>).



I/part-25/subpart-A/section-25.110).

(e) The Agency will not make an award until the applicant has complied with all SAM requirements including providing the UEI. If an applicant has not fully complied with the requirements by the time the Agency is ready to make an award, the Agency may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making a Federal award to another applicant.

#### *4. Application Submission Deadlines*

Each of the participating covered programs has different established deadlines for receipt of applications. Please refer to the agency website or the appropriate covered program's **Federal Register** notice for application deadline information.

#### *5. Intergovernmental Review*

This notice is not subject to Executive Order 12372, "Intergovernmental Review of Federal Programs."

#### *6. Funding Restrictions*

All applicants are responsible for any expenses incurred in preparing and submitting applications.

#### *7. Other Submission Requirements:*

(a) SECD applications, except for Community Connect Grant Program SECD applications, must be submitted electronically to the USDA Rural Development Office servicing the area where the project is located. Rural Development State Offices can be found here: <https://www.rd.usda.gov/about-rd/state-offices>.

(b) Community Connect applicants must submit SECD applications electronically to: <https://www.rd.usda.gov/community-connect>.

(c) For lenders assigned an OneRD Loan Guarantee Initiative Customer Relationship Manager (CRM), SECD applications must be submitted to their assigned CRM.

## **E. Application Review Information**

### *1. Criteria*

All FY 2023 applications for covered programs will be reviewed, evaluated, and scored based on the covered program's scoring criteria. This notice does not affect that process. This notice only affects the scoring of SECD applications competing for a covered program's SECD reserve funds.

For applicants wishing to be considered for reserved SECD funds in FY 23, the Agency will review, evaluate, and score each application based on the criteria specified in 7 CFR 1980.1020, to award points for each covered program's SECD reserved funds.

### *2. Review and Selection Process*

The Agency will prioritize applications competing for a covered program's reserved funds based on the covered program's awarded points plus the SECD earned points to determine which projects receive reserved funds. SECD points awarded are added to the covered program's application score to elevate and prioritize projects for accessing reserved funds.

## **F. Federal Award Administration Information**

### *1. Federal Award Notices*

The Agency will notify SECD applicants who receive funding in a manner consistent with award notifications for the covered program.

### *2. Administrative and National Policy Requirements*

Any and all additional requirements of the applicable covered programs apply to projects receiving funding in response to this notice. Please see the regulations for the applicable covered program.

### *3. Reporting Requirements*

Any and all post-award covered program reporting requirements apply to all projects receiving reserved funds in response to this notice.

## **G. Federal Awarding Agency Contact(s)**

For general questions about this notice, please contact your respective Rural Development State Office listed at: <https://www.rd.usda.gov/about-rd/state-offices> and other points of contact provided in the **FOR FURTHER INFORMATION CONTACT** section of this notice.

## **H. Buy America**

Awards under this announcement for Infrastructure projects to Non-Federal entities, defined pursuant to 2 CFR 200.1 as any State, local government, Indian tribe, Institution of Higher Education, or nonprofit organization, shall be governed by the requirements of Section 70914 of the Build America, Buy America Act (BABA) within the Infrastructure Investment and Jobs Act (IIJA), and its implementing regulations. The Act requires the following Buy America preference:

(1) All iron and steel used in the project are produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

(2) All manufactured products used in the project are produced in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.

(3) All construction materials are manufactured in the United States. This means that all manufacturing processes for the construction material occurred in the United States.

The Buy America preference only applies to articles, materials, and supplies that are

consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

## **I. Other Information**

### **Paperwork Reduction Act**

In accordance with the Paperwork Reduction Act of 1995, the information collection requirements contained in 7 CFR part 1980, subpart K, have been approved by Office of Management and Budget (OMB) under OMB Control Number 0570-0068.

### **Federal Funding Accountability and Transparency Act**

All applicants, in accordance with 2 CFR part 25, must have a UEI number and must be registered in the System for Award Management (SAM) prior to submitting an application. Applicants may register for the SAM and locate or register for a UEI number at <https://www.sam.gov/SAM>. All recipients of Federal financial grant assistance are required to report information about first-tier sub-awards and executive total compensation in accordance with 2 CFR part 170. Applicants must ensure they complete the Financial Assistance General Certifications and Representations in SAM.

### **Civil Rights**

Programs referenced in this Notice are subject to applicable Civil Rights Laws. These laws include the Equal Credit Opportunity Act, Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, and Section 504 of the Rehabilitation Act of 1973.

### **Nondiscrimination Statement**

In accordance with Federal civil rights laws and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Mission Areas, agencies, staff offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language) should contact the responsible Mission Area, agency, or staff office; the USDA TARGET Center at (202) 720-2600 (voice and TTY); or the Federal Relay Service at (800) 877-8339.

To file a program discrimination complaint, a complainant should complete a Form AD-3027, *USDA Program Discrimination Complaint Form*, which can be obtained online at <https://www.ocio.usda.gov/document/ad-3027>, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

(1) Mail: U.S. Department of Agriculture

Office of the Assistant Secretary for Civil Rights

1400 Independence Avenue, SW

Washington, D.C. 20250-9410; or

(2) Fax: (833) 256-1665 or (202) 690-7442; or

(3) Email: [program.intake@usda.gov](mailto:program.intake@usda.gov)

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Xochitl Torres Small,

Under Secretary,

Rural Development.

[FR Doc. 2022-24133 Filed: 11/4/2022 8:45 am; Publication Date: 11/7/2022]